

**SUMMARY: CONFERENCE ACTION ON THE
FY 2002 ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL**

The Conference Report for H.R. 2311, the 2002 Energy and Water Development Appropriations bill, was filed on October 30. On November 1, the Report was approved by a House vote of 399 to 29, and by a Senate vote of 96 to 2.. Until the bill is approved by the President, programs it covers will be funded under H. J. Res. 70, a continuing resolution that extends funding through November 16.

Overall, the Conferees provided \$25.0 billion in new current budget authority, \$0.9 billion above the FY 2001 enacted level and \$2.0 billion above the FY 2002 President's Budget. Within this total, \$19.4 billion is provided for Department of Energy programs (\$1.3 billion above the Budget), \$4.5 billion for the Corps of Engineers (\$0.6 billion above the Budget), and \$1.1 billion for other agencies. In particular, \$914.3 million is provided for Department of the Interior programs, \$97.6 million over the FY 2001 level, \$94.5 million over the FY 2002 President's Budget, and \$71.4 million and \$30.0 million over the House and Senate bills respectively.

Bureau of Reclamation

The Conferees provided \$878.0 million for Reclamation accounts, \$101.3 million over the FY 2001 level, \$94.5 million over the FY 2002 President's Budget, and \$71.4 million and \$30.0 million over the House and Senate bills respectively. Like the House and Senate bills, the Report does not provide funds for the California Bay-Delta Restoration account. It does, however, provide an additional \$30.0 million for authorized activities of the Central Valley Project that will also support the goals of the CALFED Bay-Delta Program.

Funds provided for Water and Related Resources, Reclamation's primary operating account, total \$762.5 million, \$83.6 million over the FY 2001 level, \$114.5 million above the request, and \$71.4 million and \$30.0 million over the House and Senate bills respectively. Within this total, the Committee added \$133.5 million for specific projects or studies; but partially offset these increases by reducing the funding requested for other projects and programs by \$5.1 million and by increasing the "allowance for slippage" by \$13.9 million. (see attached table of significant changes)

In addition to the \$30.0 million in CALFED Bay-Delta Program funding mentioned above, increases provided by the Conferees included the following:

- \$21.9 million for four rural water projects in the Northern Great Plains, including two new starts - Fort Peck/Dry Prairie (MT) and Perkins County (SD);
- \$16.5 million for eleven water reuse projects, including two new starts - Long Beach Desalination (CA) and West Jordan (UT);
- \$12.0 million for a new San Gabriel Basin Restoration Program (CA);
- \$11.2 million for the Middle Rio Grande Project (NM), to continue the efforts of the Collaborative Program Workgroup to benefit species and water users;
- \$7.8 million for the Central Valley Project (CA). including \$3.5 million to reimburse the City of Folsom for costs of replacing the Natoma Pipeline;
- \$6.2 million for thirteen water resource investigations, including \$4.8 million for eight studies related to Indian water resources;

- \$4.0 million to accelerate work on the Animas-La Plata Project (CO);
- \$3.7 million for Desalination Research and Development;
- \$3.7 million for Salton Sea Research (CA);
- \$2.7 million for the Klamath Project (OR, CA);
- \$2.3 million for Lake Tahoe Regional Wetlands Development (CA, NV);
- \$2.0 million for the Newlands Project Water Rights Fund (NV); and
- \$2.0 million to establish a Weather Damage Modification Program.

The Conferees provided the amounts requested for the Central Valley Project Restoration Fund (\$55.0 million), the Policy and Administration account (\$53.0 million), and the Loan Program (\$7.5 million).

Central Utah Project

The Conferees provided \$36.2 million for completion of the Central Utah Project, \$3.6 million below the FY 2001 level but the same as the President's Budget and the House and Senate bills.

Bill Language

The Conference Bill contains a number of provisions that were not in the President's Budget. These include:

Missouri River Operations - The bill prohibits the use of funds to accelerate the completion of the Record of Decision for the revision of the Missouri River Master Water Control Manual and associated changes to the Missouri River Annual Operating Plan. It also provides that the Secretary of the Army may consider and propose alternatives for species recovery other than those included in Biological Opinion prepare by the Fish and Wildlife Service. (Sec. 116)

San Gabriel Basin Restoration Fund (CA) - The bill transfers administration of this Fund from the Secretary of the Army to the Secretary of the Interior. Monies in this Fund are to be used for grants to the San Gabriel Basin Water Authority and the Central Basin Water District for water quality projects, including projects to deal with groundwater contamination by percolates. (Sec. 202)

Lower Colorado River Basin Development Fund (AZ) - The bill delays the transfer of monies from this Fund to the General Fund of the Treasury, pending complete implementation of the settlement of Central Arizona Water Conservation District v. United States. (Sec. 204)

Arrowrock Dam (ID) - The bill limits the non-Federal cost share of a major modification to the Dam to \$6.9 million, and provides that these costs are to be recovered over 15 years. (Sec. 206)

Folsom Dam Flood Control Operations (CA) - The bill provides that the Sacramento Area Flood Control Agency is to continue paying 25 percent of the cost of replacement water required as a result of Folsom Dam flood control operations. (Sec. 209)

